

**TOP SECRET**

CHAL-0654  
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2 May 1959

**MEMORANDUM FOR: Deputy Director of Central Intelligence**

**SUBJECT : SAC Proposals for European Peripheral Photo Flights - U-2**

**REFERENCE : Memo for DD/P from Acting Chief, DPD-DD/P, dated 24 April 1959, same subject (CHAL-0646) (Attached)**

25X1C  
Herewith is a memorandum from Colonel Burke that is self-explanatory. As you will note, I have concurred with his recommendation that we should endeavor to forestall the SAC missions herein referred to (though I believe it would be unwise for us to approach [ ] for this purpose). I believe the most efficacious action would be a call by you to General White. If however you would prefer to have this handled in some other way, would you so advise me.

**RICHARD M. BISSELL, JR.**  
Deputy Director  
(Plans)

~~Attachment:~~  
~~CHAL-0646 (Cy 1)~~

"M. R. - Discussed with Cunningham. He Reported 5 May that AF holding up this project but may reopen using [ ] I ask C. to instruct

Burke [ ]

25X1A

(s) C. P. G.

5 MAY 1959

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Approved For Release 2002/09/03 : CIA-RDP63-00313A000600030034-6

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PRELUDE

Estimates for FY 1960-61 contained herein are based on past experience, factors furnished by other sections, and situation estimates promulgated by the Materiel Branch.

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Chief, Materiel Branch  
DPD-DD/P

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25X1A

BUDGET ESTIMATE FY 1960-61

CHALICE	1960 -	
	1961 -	
GUSTO	1960 -	
	1961 -	
CORONA	1960 -	
	1961 -	
AMS	1960	
	1961	
TOTAL	1960 -	
	1961 -	

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**BUDGET ESTIMATE**  
**FY-1960 FY-1961**

Project CHALICE.....Tab "A"  
Project GUSTO.....Tab "B"  
Project CORONA.....Tab "C"  
Air Maintenance Section ...Tab "D"

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BUDGET ESTIMATE  
FY-1960 FY-1961

PROJECT CHALICE

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CHALICE

Base Operation & Maintenance - Domestic

Tab A-1

Base Operation & Maintenance-Foreign

Tab A-2

Property-Domestic

Tab A-3

Material

Tab A-4

Travel

/ Tab A-5

Construction-Domestic

Tab A-6

Construction-Foreign

- Tab A-7

Contracts

Tab A-8

Other (  )

Tab A-9

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BASE OPERATIONS AND MAINTENANCE

DOMESTIC

25X1A

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- |             |  |   |              |
|-------------|--|---|--------------|
| 1.          | <div style="border: 1px solid black; width: 150px; height: 20px; display: inline-block;"></div>  | Maintenance and Caretaker   | 1960<br>1961 |
| 2.          | Test Site: Maintenance of facilities, operation replacement of items, replacement of two commercial vehicles. Mail, phone charges, commo leases. |   | 1960<br>1961 |
| 3.          | <div style="border: 1px solid black; width: 100px; height: 20px; display: inline-block;"></div>  | Payment of mail, air freight, Local Purchase of items not available through Air Force Supply System, operation of two vehicles and replacement of one vehicle FY 1961. Specialized repair of peculiar property. | 1960<br>1961 |
| GRAND TOTAL |  |   | 1960         |
| GRAND TOTAL |  |   | 1961         |

25X1A

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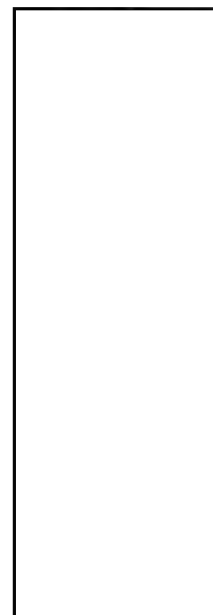


BASE OPERATIONS AND MAINTENANCE

FOREIGN

25X1A

1. Detachment "A": Local repair of items in storage to support Detachment "B".	1960 1961
2. Detachment "B": Support of local purchase requirements, i.e., repair and replacement of quarters items and one time requirements of a local nature.	1960 1961
3. Detachment "C": Support of local purchase requirements, i.e., repair and replacement of quarters items and one time requirements of a local nature.	1960 1961
GRAND TOTAL	1960
GRAND TOTAL	1961



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CONSTRUCTION

DOMESTIC

1. Edwards Air Force Base

- a. Remodel hangar
- b. Provide additional lab space

1960  
1961

25X1A

2. Air Maintenance Section

- a. Remodel hangar for office, lab and shop space

1960  
1961

GRAND TOTAL  
GRAND TOTAL

1960  
1961

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CONSTRUCTION



25X1

1. Detachment "B"

25X1A

- a. Procure and install ten trailers  
b. Minor alterations to buildings

1960  
1961

2. Detachment "C"

- a. Minor alterations to buildings

1960  
1961

3. Staging Construction

- a. Minor construction at two locations for  
staging (Base Unknown)

1960  
1961

GRAND TOTAL  
GRAND TOTAL

1960  
1961

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PROPERTY

DOMESTIC

25X1A

1. Items of a replacement nature, spare parts for  
[ ] items and to support local purchase  
requirements of newly generated items.

1960  
1961

GRAND TOTAL  
GRAND TOTAL

1960  
1961

25X1A

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MATERIEL

Items furnished from Agency stocks such as arms, ammo and other special items of equipment includes communications which is supported by an attachment to this paper. This estimate does not include support for the

25X1A

TOTAL 1960  
ESTIMATE 1961

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CONTRACTS (CHALICE)

I. Hycon Manufacturing Company - HF-CT-696 & BC-450

25X1A

A. Repair and Overhaul [REDACTED]

Contractor contemplates that the maintenance and overhaul operation will continue at the present reduced level of activity. The estimate is based on a continuation of the present level of operation.

25X1A

B. Spare Parts, Test Equipment, Mod Kits [REDACTED]

Contractor estimates that supplies, equipment, components and/or kits to be furnished the project during fiscal year 1960 will be approximately [REDACTED] This amount is based on the present level of activity and experience to date in support of project operations.

25X1A

25X1A

C. Test Site Operation and Support [REDACTED]

The estimate to continue support of limited operations at a ZI Test Site to perform testing and check out of existing equipment or modification is based upon one-half time support of a three (3) man factory team. This estimate is based on a parallel to the maintenance and overhaul activity.

25X1A

TOTAL 1960  
ESTIMATE 1961 [REDACTED]

II. Baird Atomic Incorporated - HF-CT-691 & TM-1606

25X1A

A. Overhaul and Repair [ ]

Furnish overhaul and repair services at contractors  
plant at the present level under Contract [ ]  
Average billings are estimated at [ ] per month.

25X1A

25X1A

25X1A

B. Spare Parts & Test Equipment [ ]

Furnish supplies, equipment, components, etc., as called  
for by project activities. Average billings are estimated  
at [ ] Contract [ ] applies.

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25X1A

TOTAL 1960  
ESTIMATE 1961

25X1A

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III. Perkin-Elmer - NF-CT-695 & SC-56-42

25X1A

A.

Call type contract to furnish equipment, spare parts, mod kits, components and data for equipment previously furnished.

25X1A

B.

M & O contract to furnish necessary maintenance and repair of government owned equipment including in-plant engineering as required to accomplish tasks.

25X1A

TOTAL 1960  
ESTIMATE 1961

25X1A IV. Lockheed Aircraft Corporation - [ ]

25X1A A. Purchased Parts and Equipment [ ]

25X1A During past fiscal year billing has been approximately [ ] per month to furnish equipment, spare parts, mod kits and components. Contractor anticipates present level to continue.

25X1A B. Service Bulletin Kits [ ]

25X1A Routine service bulletin kit costs have averaged approximately [ ] per month. For estimates it is anticipated the same level will continue.

25X1A C. Major Work Items [ ]

25X1A This category would include major modifications or improvements to [ ] and associated equipment. Such as, dual oxygen kits, fuel vent kits, etc.

25X1A D. Edwards Telephone and TWX Installation Operation [ ]

25X1A The operation cost of this item averages [ ] per month and will continue during period that flight test operations are conducted at EAFB.

25X1A TOTAL 1960 [ ]  
ESTIMATE 1961 [ ]

V. Haller, Raymond and Brown, Incorporated - HF-CT-698

25X1A

A. Call Type Contract

To furnish equipment, spare parts, mod kits, components and data for equipment previously furnished. Expanded use of System VII is estimated to increase costs in 1961.

25X1A

TOTAL	1960
ESTIMATE	1961

VI. Eastman Kodak - FP-1054

25X1A

A. Call Type Contract [REDACTED]

25X1A

The negative film usage projected by letter DPD-1465-59 envisions a usage of [REDACTED] of 9 $\frac{1}{2}$ " film and

25X1A

[REDACTED] of 70mm film. Assuming a 25% return of the material and five dupes ([REDACTED])

25X1A

25X1A

[REDACTED] present production is at the rate of [REDACTED] per year, but there will be an

25X1A

added load next year due to backlog of sequential printing so [REDACTED] may be a reasonable minimum to consider.

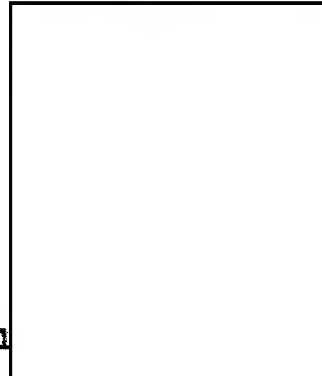
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Chemicals, spools, leader and supplies are calculated based on past experience.

25X1A

- (1) Negative Film
- (2) Dupe Film
- (3) Miscellaneous Film  
(HTA & Process Control)
- (4) Chemicals
- (5) Spools, Cans & Cartons
- (6) Leader
- (7) Supplies

TOTAL 1960  
ESTIMATE 1961



VII. Firewell Company - HF-TM-16 & HF-CT-692

25X1A A.

This is the maintenance and overhaul contract to provide maintenance and repair of Government owned equipment including in-plant engineering required to accomplish assigned tasks.

25X1A B.

This is a call type contract to furnish equipment, spare parts, mod kits, components and data for equipment previously furnished the Government.

25X1A

TOTAL 1960  
ESTIMATE 1961

25X1A

David Clark

A.

Spare parts, Kits etc.

25X1A

B

MO.

25X1A

1960.  
1961